CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

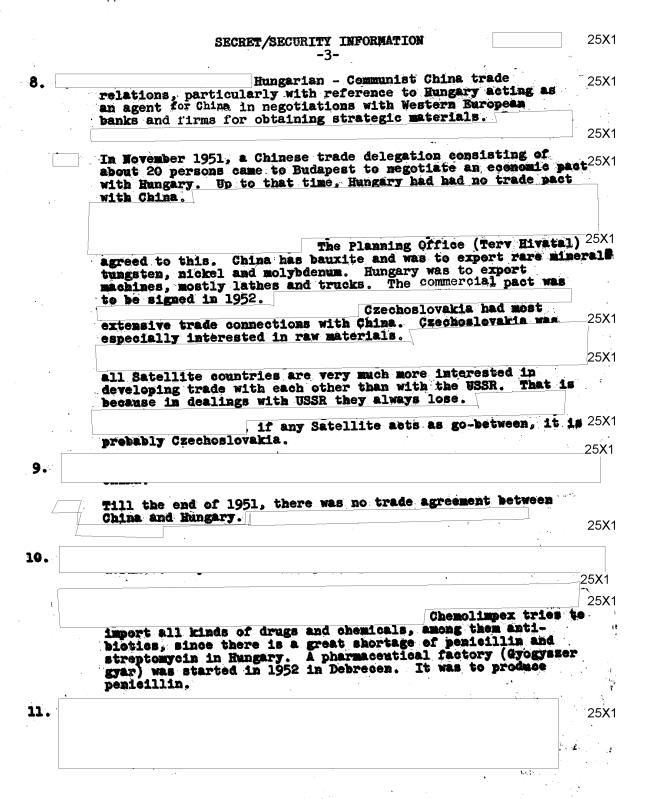
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	SECURITY INFORMATION			<u> </u>
COUNTRY	Hungary	REPORT	y	
SUBJECT	Hungarian Trade with the West and the Satellites	DATE DISTR. 19 March 1953		
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	THE SOURCE EVALUATIONS IN THIS REPORT THE APPRAISAL OF CONTENT IS TEN (FOR KEY SEE REVERSE)	AIRE DEFINITIVE. ITATIVE.		25X1
		fices are located	in Mador utca a Nikex has	25X1 25X1
	export and import trade for neavy indus	rices are located many and in some We in trade price in advance, de to on the part of Hun already begun produ gh an irrevocable l ank. Trade between de pact between Cze and which involved on dollars, at 12 1 eliver food product d. All accounts an	in Nador utca as Nikex has stern countries Hungas before the deli- co off-set the l agary after the action. The res letter of credit statellite coun- ches aluminum in the aluminum in the countries and bauxite to mong the Satelli	25X1 ry must very25X1 oss 25X t of the tries . Hungary dustry, until ottes have
	Iron Curtain countries. Its central of Dorotya utca, Budapest representatives in every Satellite countries by 40 percent of the total purchasing of the goods. That stipulation was marked from a possible change of mind had been placed and the factories had contracted amount was to be paid throu (accreditive) drawn on an authorized by is done on a barter basis. In the trawhich was concluded in November 1951, Hungary was given a credit of 40 millings of the south of the smount contracted to the same of the s	rices are located of try and in some We in trade price in advance, ie to the part of Hunalready begun produgh an irrevocable lank. Trade between de pact between Cze and which involved on dollars, at 12 leliver food product d. All accounts and the pact is technical about 20 Czechoslovend individual face	in Nador utca as Nikex has stern countries Hungas before the deli- co off-set the l agary after the action. The res letter of credit statellite coun- choslovakia and the aluminum in percent interest and bauxite to mong the Satelli al cooperation l vak engineers co ctories. Czeche	25X1 ry must very25X1 oss 25X t of the tries Hungary dustry, until oetwe25X me to

25X1 SECRET/SECURITY INFORMATION production of anodic paste from coal tar. The factory was to be built in Ostrava in 1952. The Czechoslovaks also planned to build a factory for the production of artificial eryolite in Usti nad Labem /5040N-1402E/. Its capacity was to be sufficient for the needs of Hungary, Czechoslovakia, and Poland. 25X1 2. 25X1 the embargo has backfired in the following instance: Natural cryolite, as it is known, is found on Greenland. Before the embargo, Hungary used to obtain cryolite from Greenland through Danish commerical channels. The embargo on cryolite came too soon, because it forced the Czechs and the Hungarians to 25X1 solve the problem by producing artificial cryolite in 1950. 3. 25X1 Hungary is not dependent on Rumanian oil, but it does import by-products of crude oil. 25X1 There is apparently no trade between Yugoslavia and the <u>Satellites</u> 25X1 25X1 5. 25X1 If there is such a control it could be at the highest level, through the Politburo. 25X1 6. Exterbank exists and functions as the Hungarian National Bank. The president of 25X1 the Hungarian National Bank (Magyar Nemzeti Bank) is Zoltan Jeszensky, who was also a banker under the old Regime. There are two Soviet banks in Budapest on Andrassy ut.

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are guarded by armed Soviet soldiers.



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